

## Chapter IV

### Grant Selection and Execution

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## **IV. Grant Selection and Execution**

### **A. Proposed Grant Application Submission Process**

If grant applications are solicited by the TSO, grant processes must comply with the state and federal regulations. High priority shall be given to proposed grant applications that address the traffic safety issues identified through the annual HSP problem identification process. The grant selection procedure shall be reviewed and updated as needed. When grants are solicited, a Request for Application (RFA) package shall be posted to the TSO website to assure adequate and uniform notice to all prospective grantees of the prescribed requirements and deadlines.

The following agencies/organizations are eligible to submit applications for TSO traffic safety grants:

- State agencies
- Cities, counties, and their subagencies
- Non-profit organizations with existing IRS 501(c)(3) status

Proposals must be either:

- Best practice/proven strategy supported by research, or,
- A demonstration project supported with a strong evaluation plan that will allow the TSO to assess the effectiveness of the project at its conclusion

The RFA contains the deadlines for submission and submission instructions. In lieu of a pre-proposal conference, applicants are asked to address questions to TSO personnel by mail, telephone, fax, or email.

#### **Proposal Submission Instructions:**

1. Only one signed copy of the proposed grant application should be submitted, and it is preferred that the application be submitted by email (mailed or faxed applications will also be accepted).
2. Late applications will not be accepted with the exception of law enforcement applications which are accepted as received.
3. Applicants mailing applications will be instructed to allow normal mail delivery time to assure timely receipt. Applicants assume the risk of non-delivery or late arrival associated with the method of delivery selected. The TSO assumes no responsibility for delays caused by external delivery systems.
4. The TSO will notify applicants by email of receipt of their applications.
5. Applicants who do not receive a notice within ten days of submitting their application should contact the TSO to confirm that their application has arrived at the TSO if their application is to be considered for selection.
6. Organizations claiming non-profit or not-for-profit status must submit with their application a letter showing current 501(c) (3) status has been granted by the IRS.

### **B. Grant Application/Distribution Log**

The TSO will track the receipt and handling of all proposed grant applications received to assure that all required actions are completed and in a timely manner.

## C. Grant Selection Process

### i. TSO Initial Review

Proposed grant applications are first reviewed internally by the TSO Manager and applicable Program Manager to:

- Assure that the application meets the required criteria
- Check for budget availability and available resources
- Compare the application with current activities
- Determine whether the proposed grant activity will impact traffic safety, will work towards established goals by assuring that the problem is adequately described, and that objectives, performance measures, and resources requested will address the problem
- Determine that the potential subgrantee is the appropriate entity to perform the activities

See *Chapter III. Project Development, Section D. Grant Development Calendar* for applicable timelines.

A Grant Review Form will be completed by TSO reviewing staff to record all comments, questions and additional information obtained from the applicant. After the first review of each proposed grant application within the TSO, the applicable Program Manager will request any additional information needed by contacting the applicant or others as necessary and recording their responses on the Grant Review Form. When completed, the Program Manager will print the Grant Review Form and circulate it to the Grant Review Team for consideration.

The determination of whether the application has the potential to impact traffic safety goals will be based on its ability to be innovative, implement proven strategies, show a commitment to sustain and contribute to success, have measurable outcomes, and address the greatest demonstrable need/problem. Proposals that target high-risk populations, high-risk behaviors, and high crash locations will receive additional consideration. The proposed strategy must be either a best practice/proven strategy supported by research, or a demonstration project supported with a strong evaluation plan that will allow the TSO to assess the effectiveness of the activity at its conclusion.

Following are some guiding questions for TSO staff conducting a technical analysis of a proposed grant application:

- Has a traffic safety related problem been adequately identified and appropriately described in the problem statement?
- Do the objectives and performance measures directly address the identified problem?
- Are the objectives clearly stated and achievable?
  - Is a completion date indicated for each objective?
  - Is sufficient time allocated to achieve each objective?
- Will performance measures provide adequate evidence of project activity and accomplishment of objectives?
- Are personnel needs accurately identified? For example:
  - If an objective requires roadway safety studies, an engineer must be involved.
  - If an objective involves public information and education activity, does the subgrantee have the resources available to perform and complete the activity?
  - If the objectives involve law enforcement agencies, a sufficient number of appropriately trained officers must be available.
- Will any special equipment be needed? If so, will it be available for grant implementation, or does the applicant require funding to acquire the equipment?
- Are there other considerations that might affect subgrantee performance? If so, are they adequately addressed?

**ii. Grant Review Team**

Proposals recommended for funding after the initial review by the TSO staff are then evaluated by the Grant Review Team (GRT). The GRT is composed of representatives of the NDDOT and other agencies and organizations selected by the TSO who have worked with the TSO in the past and have traffic safety or grant-related experience. The GRT is created to review and score proposals to establish a fair process for selecting grants. Applications are prescreened by the TSO before being sent to the GRT members. Only qualified grant applicants are forwarded to the GRT. If the GRT recommends changes to any application, those changes will be negotiated by the TSO.

To avoid any conflict of interest, the GRT members are requested to sign a statement provided by the TSO (See Appendix D. Non-Conflict of Interest Statement).

**iii. Grant Proposal Evaluation Procedure:**

- When the grant reviewer has received an application, they read through each one completely, at least one time with no points awarded. This method ensures a full understanding of each proposal before awarding points. It also will help to eliminate or reduce the psychological tendency to award fewer points to the first offer reviewed.
- Each grant reviewer will be supplied with a scoring sheet developed by the TSO for the application being reviewed.
- Comments should be added as needed for clarification on the reason points were given. Grant reviewers are not responsible for determining the actual award of the proposal; they are only scoring the proposal. Offers will be determined upon a compilation of points awarded as a combined effort of the GRT scoring and the TSO.
- Once a reviewer is satisfied with their review, they will submit the results via email to the TSO on or before the deadline. Reviews can also be faxed.
- Any questions identified by the GRT members will be resolved by the TSO before a final selection is made by the TSO.
- Final selections are made only with the approval of the NDDOT Safety Division Director.

**iv. Grant Negotiations**

After a successful applicant has been notified that their proposed grant application has been accepted, the applicant completes any final contract development issues through negotiations and discussions with the TSO. The contract outlines the specific components of a project, the final authorized budget, the specific performance measures and objectives, and the commitment of responsibilities by the TSO and the subgrantee.

Final contract development typically involves some level of negotiation to ensure that the final agreement meets all of the TSO requirements, expectations, and conditions. The applicable Program Manager negotiates on behalf of the TSO. Negotiation allows the TSO and the applicant to arrive at an understanding on the specific details of the contract (such as budget detail amounts, enforcement activity locations, evaluation criteria, etc.). Negotiating involves discussion, clarification, or modifications to the proposed grant application. Items to be discussed during the negotiation phase include, but are not limited to, the following:

- Problem identification
- Project description
- Anticipated outcome
- Time period

- Location and frequency of activity
- Acquisition of equipment or other items
- Frequency of reporting and invoice submissions
- Budget content
- Performance measures

#### **v. Award**

All applicants should be notified in writing of their award status before September 1. Following successful completion of negotiations and receipt of all required documentation, the TSO issues a contract to each successful applicant. The contract is effective October 1 of the new grant year.

Contracts are fully executed when signed by the subgrantee and the NDDOT Director/Governor's Highway Safety Representative, typically in the month of October, but are retroactive to the October 1 start date. Contracts delayed for signature in the month of October (for example, a political subdivision's inability to appear before the city/county commission for contract approval) are signed as soon as practicable, with a note to the file explaining the delay, but are still retroactive to the October 1 start date unless otherwise specified in the contract terms.

#### **vi. Debriefing Conferences**

Upon request, a debriefing conference may be scheduled for an unsuccessful applicant by contacting the TSO no later than five business days after receiving notice that the proposed grant application was not accepted. The TSO will schedule the debriefing conference within five business days of the request. The TSO may conduct debriefing conferences in person or by telephone. Discussion will be limited to a critique of the proposed grant application. Comparisons between other applications or evaluations of other applications are not permitted.

### **D. Final Contract Preparation**

#### **i. Special Conditions**

In addition to the general required terms and conditions which apply to every traffic safety contract, the TSO may determine that special conditions should be imposed upon a specific subgrantee. Some reasons for the special condition may be the nature of the specific strategy being addressed, past experience with the subgrantee or a special requirement that is not otherwise addressed in the general terms and conditions. If a special condition is imposed upon a subgrantee, the special condition shall be documented in the project file. Following are some examples of a special condition:

- The subgrantee is required to share equipment purchased under the grant with other agencies in their geographic region
- The subgrantee is limited to using specific personnel to complete grant activity

#### **ii. Signatures**

##### **a. TSO requirements**

When the NDDOT executes a contract by signing it, the agency is certifying that the agreement:

- Is legal and payable
- Includes all required and applicable provisions
- Complies with all applicable federal and state regulations and laws
- Has received federal approval when such approval is required

- Has been budgeted with available funds
- Has been authorized by the TSO as part of the HSP

Before approval, the TSO Manager and the Safety Division Director will review all contracts for form and content, applicable provisions, eligibility of costs, consistency, and accuracy.

#### **b. Subgrantee requirements**

A final contract submitted to the TSO must be signed by the authorizing official (person with contracting authority) for the applicant agency or organization. The authorizing official, and in some cases the project manager, must also certify and ensure that all of the conditions contained in the certifications and assurances, reporting requirements, invoicing requirements, certification regarding lobbying, and restriction against lobbying sections of the contract will be met including any special conditions.

For local grants, the agreement must be made with the unit of local government or political subdivision of the state, not with an operating division or function of the local governmental unit or political subdivision of the state. Likewise, for statewide grants, the agreement must be made with the parent agency, not a bureau or division.

A contract must be approved and executed in accordance with subgrantee procedures as well. This may involve placement on the agenda for a city council meeting, the county commissioners' court, or a state agency's director, board, or commission. Scheduling time frames vary from agency to agency. Some local governments require agenda items to be heard at three consecutive meetings which adds significantly to the time required for contract approval. Scheduling requirements must be considered in the approval process to ensure that the grant can be activated on time.

#### **c. Educational institutions**

2 CFR Parts 215 and 220, 2 CFR Part 215, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations* and 2 CFR Part 220, *Cost Principles for Institutions of Higher Education* require that educational institutions provide a *Certificate of Facilities and Administrative Costs* (F&A) for federally funded projects. In addition, OMB Circular A-21 requires the following:

- To assure that expenditures for sponsored agreements are proper and in accordance with the agreement documents and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements will include a **certification**, signed by an authorized official of the university, which reads essentially as follows:
- "I certify that all expenditures reported (or payment requested) are for appropriate purposes and in accordance with the provisions of the application and award documents."

#### **iii. Certification**

The TSO contract must contain required terms and conditions as well as requiring compliance with the NHTSA certifications and assurances, certification regarding lobbying and restriction on state lobbying. These sections provide the terms and conditions governing the grant and certifies that a subgrantee will comply with the applicable regulations, policies, guidelines, and requirements, including *49 CFR Part 18 and 2 CFR Part 225 (OMB Circular A-87)*, or *OMB Circulars A-110 and A-21*, or *OMB Circulars A-110 and A-122*, as they relate to the application, acceptance, and use of federal or state funds for the project.

Subgrantees should be required to become familiar with the contents of the final contract form and notified that failure to do so will not excuse nonperformance or noncompliance.

Failure to comply with applicable federal statutes, regulations and directives may subject state officials to civil or criminal penalties and/or place the state in a high-risk grantee status in accordance with 49 CFR §18.12. Each fiscal year, the TSO signs certifications and assurances with the submission of the HSP that the state complies with all applicable federal statutes, regulations, and directives in effect with respect to the period for which it is receiving grant funding. The state certifications are explained in the *NHTSA Highway Safety Grant Management Manual* which is available on line and should be referenced to ensure that the most current requirements have been incorporated.

See *Chapter II. Planning – Section M. Certifications and Assurances* for additional information.

## E. NHTSA Equipment Purchase Approval of \$5,000 or More

For all major equipment purchases and replacement purchases with a useful life of more than one year and an acquisition cost of \$5,000 or more in value, the TSO shall receive prior written approval from the NHTSA Regional Administrator. This procedure is required by *23 CFR §1200.21(d)* and the NHTSA *Highway Safety Grant Funding Policy for NHTSA/FHWA Field-Administered Grants*.

The TSO shall include a subgrantee procedure in the grant guidance for purchases of major equipment of \$5,000 or more in value in accordance with the applicable state and NHTSA regulations and describe allowable and unallowable equipment purchases as specified by the federal regulations. The unit cost for equipment is the unit's purchase price **plus** any accessories necessary to make the equipment operational for its intended purpose.

During the review of proposed grant applications, the TSO program personnel shall: (1) identify all equipment purchase requests by subgrantees which meet the above criteria, (2) assure that the equipment has been identified within the TSO HSP (inclusion of the equipment request within the HSP is not mandatory but is preferred) for prior approval. For equipment purchases not identified in the TSO HSP, TSO personnel will assure that written approval from the NHTSA Regional Administrator has been obtained. The request to the NHTSA Regional Administrator will describe the type of equipment, a complete description of the equipment, the subgrantee's organization name, total cost, useful life, and how the equipment would support the state's highway safety program.

Contracts for equipment purchase will not be initiated by the TSO in advance of receipt of required approvals. When making the equipment purchase, subgrantees should obtain the expected service life and warranty of the equipment from the vendor or the manufacturer.

The *Highway Safety Grant Funding Policy for NHTSA/FHWA Field-Administered Grants*, Part III (A) (4) states that costs for purchase of equipment in the form of office furnishings and fixtures are **unallowable**. The following are some examples:

desk	credenza	storage cabinet
chair	bookcase	portable partition
table	filing cabinet	picture or wall clock
shelving	floor covering	draperies and hardware
coat rack	office planter	fixed lighting or lamp

The TSO, as part of its oversight responsibility, will systematically monitor all subgrantees with grant-funded equipment to assure that subgrantees are in compliance with all federal and any state requirements for property management and inventory.

Equipment will be used by the subgrantee for the purpose for which it was acquired as long as needed, whether the program continues to be supported by TSO funds. When no longer needed for the original program, the equipment may be used in other traffic safety activities. If it is determined that the equipment is no longer needed for the purpose acquired or any other traffic safety purpose, the equipment shall be handled in accordance with TSO policy and federal requirements. (Note: The TSO must seek equipment disposition approval from NHTSA Region 8 in advance).

See *Chapter V. Grant Administration and Management, Section G. Property Management*

## **F. Reporting Requirements**

The TSO requires three types of progress reports in conjunction with traffic safety grant projects: monthly or quarterly reports during the life of a grant, a final report at the conclusion of a grant (this is to include training and consultant reports, if applicable), and special reports as required.

Progress reports provide the TSO with information that can be used to strengthen the state's overall traffic safety program. These reports should keep the TSO informed of a grant's progress, explain any difficulties encountered, provide background information that can be shared with others, and suggest ways in which the TSO can assist and aid in the distribution of funds.

### **i. Regular Progress Reports**

The reports are to be submitted monthly or quarterly and are due to the TSO within thirty (30) or forty-five (45) calendar days, as specified in the contract, after the end of the reporting month. A report must be filed every month or quarter regardless of whether activity has taken place or grant-related expenditures have occurred unless the assigned Program Manager has approved that no reporting is required.

The report should indicate progress that has been made on the project. Any original or innovative ideas or methods employed in the project should be incorporated into the reports.

A progress report is required with each submission of an invoice to the TSO for grant cost reimbursement.

### **ii. Final Progress Report**

Final reports are due from subgrantees to the TSO no later than November 15 for activities funded in the previous fiscal year. The reports are to be detailed and must describe whether the grant objectives were accomplished, if technical and fiscal problems were encountered, and what improvements in traffic safety have resulted or probably will result. Included in final reports will be copies of publications, training reports and any statistical data generated in grant execution.

### **iii. Special Progress Reporting**

Special reporting may be required. If so, reporting frequency and requirements will be detailed by the TSO in the contract.



## G. Contract Revisions

Proposed grant applications and final contracts may be altered or amended prior to or after signing by mutual agreement of the parties. The alterations or amendments are not binding unless they are in writing and signed by persons authorized to bind each of the parties. The signature of the NDDOT Director/Governor's Representative for Highway Safety is necessary to bind the TSO.

Contract amendments that extend the period of performance without the expenditure of funds in the new fiscal year (a no-cost time extension) are permitted with the prior approval of the TSO. If additional tasks or costs are authorized in the amendment, the subgrantee must not begin work on the additional tasks or incur the additional costs until the amendment is fully executed.

The following deviations from the approved grant budget require PRIOR approval from the TSO:

- (a) A specific item of cost not included in the approved budget.
- (b) An increase in the number of a specific item over and above the total authorized.
- (c) A transfer between major budget categories. An email notification describing the action being taken shall be sent to the TSO by the subgrantee for approval.

## H. Traffic Safety Office Internal Administration Processes

Planning and Administration (P&A) and Program Management costs to support the operation of the TSO highway safety program are developed with consideration to recurring costs and anticipated increases in costs.

**Definition of P&A Costs:** P&A costs are those direct and indirect expenses that are attributable to the overall management of the state's HSP. Costs include salaries and related personnel benefits for management and for other technical, administrative, and clerical staff, for the TSO. P&A costs also include other costs, such as travel, equipment, supplies, rent, and utility expenses necessary to carry out the functions of the TSO.

**Definition of Program Management Costs:** Program management costs are those direct and indirect expenses that are attributable to a highway safety program area. Costs include salaries and related personnel benefits and other related costs such as travel, equipment, materials, and supplies.

Costs related to internal operation of the TSO program will be charged to the TSO internal grant project code as appropriate.

### i. P&A Match Requirement

The TSO Manager shall ensure that the internal P&A grant line-item complies with applicable federal regulations including the provision of a match in the amount of 50 percent (or the applicable sliding scale rate) of the costs claimed for eligible P&A functions. These requirements are contained in the NHTSA *Highway Safety Grant Funding Policy for Field-Administered Grants, Part I, A and B*.

See *Chapter VI. Fiscal Procedures, Section C. Matching Funds*

49 CFR § 18.24, *Matching or cost sharing*, states that a matching or cost-sharing requirement may be satisfied by either or both of the following:

- (1) Allowable costs incurred by the grantee, subgrantee, or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-federal grants or by others' cash donations from non-federal third parties.
- (2) The value of third party in-kind contributions applicable to the period to which the cost sharing or matching requirements applies.

States can carry over unexpended P&A funds if they were programmed in GTS by September 30. The federal P&A share shall not exceed 50 percent of total P&A costs, except for select states using the sliding scale for match (See *NHTSA Order 462-6C, Matching Rates for State and Community Highway Safety Program*). No match is required for Section 163, Section 406, Sections 154 or 164 funds transferred to Section 402 purposes, for U.S. Territories (23 U.S.C. 120(i)), or for federally recognized Indian Tribal governments (23 CFR 1252) under the Indian highway safety program.

The TSO shall limit federal participation in P&A funding to not exceed 50 percent (or the applicable sliding scale rate) of the total cost of such activities. The TSO shall ensure that the federal contribution does not exceed 10 percent of the total new funds the state receives annually under Section 402, Section 410, Section 406 and for Section 154 and 164 transfer funds when used for section 402 purposes to support impaired driving programs.

## ii. TSO Employee Time Allocation and Certification Requirement

As provided by 2 CFR Part 225 Appendix B(8)(h), charges to federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with the generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.

**WORK ON SINGLE INDIRECT COST ACTIVITY:** No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

**WORK SOLELY ON SINGLE AWARD:** Subsection 8.h. (3) states that where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages **must** be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually (twice a year) and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee. CERTIFICATION EXAMPLE: "From 1/1/XXXX until 6/30/XXXX Employee A spent 100 percent of their time on a section 410, Highway Safety Alcohol Program. Signed by: employee or supervisor." The certification may also be provided on every time sheet for the employee, where applicable, and signed by the employee or supervisor.

**WORK ON MULTIPLE AWARDS OR ACTIVITIES:** Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages **must** be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h. (5) of the regulation unless a statistical sampling system (see subsection 8.h. (6) of the regulation) or other substitute system has been approved by the cognizant federal agency. Substitute systems may include, but are not limited to, random moment sampling, case counts or other quantifiable measures of employee effort. Such documentary support is required where employees work on:

- (a) More than one federal award,
- (b) A federal award and a non-federal award,

- (c) An indirect cost activity and a direct cost activity,
- (d) Two or more indirect activities which are allocated using different allocation bases, or
- (e) An unallowable activity and a direct or indirect cost activity.

The TSO employee shall document the time worked in writing as provided above and their supervisor shall certify their time accordingly. The TSO shall allocate the proportionate salary and related costs to the appropriate funding source or grant based only on the record of the actual time worked.

### **iii. TSO Invoicing and Reporting**

The TSO receives more than \$1 million in NHTSA funds annually, therefore, in compliance with 23 CFR, 1200.23, the TSO shall complete and submit monthly invoices to NHTSA to request federal reimbursement for allowable costs. The invoice shall be submitted within 15 working days of the end of each month.

See Section F. *Reporting Requirements*, for additional information regarding subgrantee progress reports.